

**REAL ESTATE BOARD
MINUTES
MADISON, WISCONSIN
May 23, 2002**

PRESENT: Richard Hinsman, Harold (Hal) Lee, James Imhoff, Jr., Rebecca Dysland, Richard Kollmansberger, Maria Watts and Nancy Gerrard

EXCUSED: All members were present.

STAFF PRESENT: Cletus Hansen and William Black, Legal Counsel; Division of Enforcement staff were present for portions of the meeting.

GUESTS: Richard Staff, WRA

CALL TO ORDER

The meeting was called to order at 10:42 a. m. by Jim Imhoff, Chair, upon confirmation that the public notice was timely given. A quorum of 7 members was present.

The Chair acknowledged that a half-hour training session was provided to Maria Watts, Rebecca Dysland and Peter Sveum by members of the Division of Enforcement, beginning at 10 a.m.

AGENDA

MOTION: Hal Lee moved, seconded by Richard Hinsman, to adopt the agenda, as published. Motion carried unanimously.

MINUTES (4/25/02)

MOTION: Nancy Gerrard, moved, seconded by Becky Dysland, to approve the minutes, as written. Motion carried unanimously.

ADMINISTRATIVE REPORT

Oscar Herrera

Secretary Oscar Herrera discussed the Board Member Workshop, the survey of Board members, regulatory digests and the newsletter to Board members. Secretary Herrera stated that he would be available to discuss any issue with the Board at the Board's request. Secretary Herrera and the Board also discussed issues relating to electronic signatures. Rick Staff informed Secretary Herrera and the Board that the Wisconsin Realtors Association has had discussions with staff at the Department of Electronic Government about the fact that at least one DEG staff member believes that government deeds should be excluded from the acceptance of electronic signatures.

Katharine Hildebrand

Katharine Hildebrand discussed the Board Member Workshop, the survey of Board members, regulatory digests and the newsletter to Board members.

Clete Hansen

- **Board Roster**

Noted

- **Meeting Dates for 2002**

Noted

- **Summary Reports on Pending Court Cases, Disciplinary Cases and Administrative Rules**

Noted

- **To-Do List**

Noted

- **To-Pass Folder**

The folder contained a copy of the Case Status Report. It was routed to Board members.

LEGISLATION

Update re: Legislation That Relates to Real Estate

There was no new information to provide to the Board at this meeting.

REPORT OF THE REAL ESTATE LAW REVIEW COMMITTEE

Jim Imhoff referred to the minutes of the Committee meeting that was held on April 25, 2002. He briefly summarized the work of the Committee.

DISCLOSURE REGARDING COMMISSION SPLITS

The Board discussed the impact that commission splits have on the sale of a seller's property. The Board acknowledged that if a listing broker offers other brokers who submit offers a very low percentage of the total commission that would discourage some other brokers from making that broker's listings a high priority for them. Board members noted the language on lines 28 to 38 of the Residential Listing Contract, relating to cooperation with other brokers. The Board

agreed to discuss this issue again at the June meeting. Meanwhile, the Board informally requested that an article about this matter be placed in the next issue of the Regulatory Digest. One or other Board member stated that buyer-agency may be a bigger issue than commission splits.

MISCELLANEOUS CORRESPONDENCE

The Board received copies of two letters that were sent to Clete Hansen. One letter was from Attorney Dan Sinykin; the other was from Attorney Alan Deutch. The first letter pertained to mortgage fraud; the other pertained to language in a buyer agency contract. Bill Black will report to the Board on the Sinykin letter at the next meeting. Richard Staff commented to the Board that the Wisconsin Realtors Association has looked at the issue addressed in the Deutch letter and has learned that the Real Estate Settlement Procedures Act does not prohibit this practice, provided that proper disclosure has been made. The Board had no other comments about the letter.

PUBLIC COMMENT

None over and above those already made to the Board.

PRESENTATION OF PROPOSED STIPULATIONS BY DIVISION OF ENFORCEMENT

DOE prosecutors were available to present two stipulations; however, the Board had no questions at this time and no oral presentations were made.

RECESS TO CLOSED SESSION

MOTION: Nancy Gerrard moved, seconded by Richard Kollmansberger, to convene the meeting in Closed Session pursuant to Sections 19.85(1)(a), (b), and (f), Wis. Stats., to consider the investigation of charges against licensees. Specifically, to discuss case closings and the Case Status Report, proposed administrative warnings, proposed stipulations and a monitoring report, if the DOE monitor has a report to be made. Motion carried unanimously by a roll call vote: Nancy Gerrard - yes; Jim Imhoff - yes; Harold Lee - yes; Becky Dysland – yes, Maria Watts – yes; Richard Kollmansberger and Richard Hinsman - yes.

Open Session recessed at 11:32 p. m.

Two copies of the Division of Enforcement Case Status Report were made available to Board members.

The Board deliberated on case closings, an administrative warning and two stipulations. Final voting on these issues was conducted in Open Session.

RECONVENE IN OPEN SESSION

MOTION: Richard Hinsman moved, seconded by Hal Lee, to adjourn the Closed Session and to reconvene in Open Session. Motion carried unanimously.

The Open Session reconvened at 11:48 a.m.

VOTING ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION

CASE CLOSINGS

MOTION: Hal Lee moved, seconded by Becky Dysland, to close the following cases presented by the Division of Enforcement for closing. Motion carried unanimously.

01 REB 183	01 REB 164
01 REB 208	01 REB 232
01 REB 255	01 REB 329
01 REB 058	01 REB 316
01 REB 128	

ADMINISTRATIVE WARNING

Edwin E. Roelli (Darlington WI)

MOTION: Richard Kollmansberger moved, seconded by Richard Hinsman to accept the proposed administrative warning to be issued to Edwin E. Roelli. Motion carried unanimously.

STIPULATIONS

Mark E. Malec and Opportunity Homes, Inc. (Hartland, WI)

MOTION: Rebecca Dysland moved, seconded by Hal Lee, to accept the Stipulation, Findings of Fact, and Conclusions of Law and Order in the disciplinary matter involving Mark E. Malec and Opportunity Homes, Inc. Motion carried unanimously.

Donald H. Sukowatev (Hudson, WI)

MOTION: Maria Watts moved, seconded by Nancy Gerrard, to accept the Stipulation, Findings of Fact, and Conclusions of Law and Order in the disciplinary matter involving Donald H. Sukowatev. Motion carried unanimously.

ADJOURNMENT

MOTION: Nancy Gerrard moved, seconded by Hal Lee, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 11:48 p.m.